

Energy Sector – Neutral

Yupapan Polpornprasert | Email: yupapan.pol@thanachartsec.co.th

News Update

Iran supply risks grow

- **Bearish US product inventory**
- **Iran threatens US and Israel as protests enter third week**
- **ExxonMobil CEO says Venezuela is uninvestable**
- **2nd retail diesel price cut in January**

Oil prices fell on Monday after Iran said the situation was fully under control following its largest anti-government protests in years, easing supply concerns over the OPEC producer. The market also weighed the potential resumption of oil exports from Venezuela.

Weekly US data: Bearish US product inventory

- **Crude Oil:** The EIA reported that U.S. crude oil stocks declined by another 3.8 million barrels in the latest weekly report—a higher than expected draw forecast by market.
- **Gasoline:** Gasoline stocks rose by another 7.7 million barrels — well above expectations.
- **Distillates:** Distillates also rose by about 5.6 million barrels, again beating expectations.

Iran threatens US and Israel as protests enter third week

- **Warning:** Iran's government has warned the US and Israel not to intervene amid ongoing unrest. The protests, now in their third week, are among the largest in years and were triggered by worsening economic conditions and a sharp fall in the currency. Authorities have used force, there are many deaths and arrests, and internet access has been restricted.
- **Supply share:** Iran produces just over 4 % of global oil and exports close to 2 million b/d. While global supply exceeds demand, the surplus is not large enough to fully absorb any disruption in Iranian exports. Even partial interruptions could affect near-term balances and price risk.
- **Situation under total control:** Iranian Foreign Minister Seyed Abbas Araghchi said on Monday that the situation in Iran is "under total control" following violence linked to protests spiked over the weekend.
- **Impact:** This situation is seen as a more immediate supply risk than Venezuela, because any disruption to Iranian exports could quickly affect global oil markets.

ExxonMobil CEO says Venezuela is uninvestable

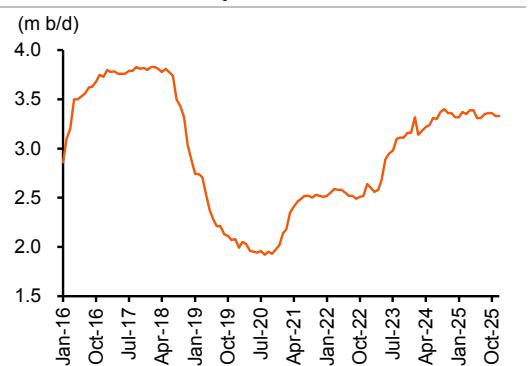
- **Uninvestable:** ExxonMobil's CEO says Venezuela is "uninvestable" without major reforms, due to weak legal protections and past asset seizures, dampening hopes for large new investment in the oil sector.
- **US signal easing sanction:** Meanwhile, U.S. Treasury officials have signaled that some sanctions on Venezuela could be eased to allow oil sales. However, sanctions relief alone may not be sufficient to unlock

US Weekly data (as of 7 Jan 2026)

(m bbls)	Weekly change	Consensus	Last week
Crude Oil	-3.832	-1.200	-1.934
Gasoline	7.702	2.900	5.845
Distillates	5.594	2.200	4.977

Source: EIA

Ex 1: : Iran Oil Output



Source: Bloomberg

major upstream investment without broader structural reforms.

- **Impact:** Venezuela's ability to meaningfully restore oil production is likely to take time. As a result, near-term supply risks remain limited.

2nd retail diesel price cut in January

- **Price cut:** Diesel retail price was reduced by Bt0.50/litre, from Bt30.44 to Bt29.94/litre, effective 9 Jan 2026.
- **Oil fund support:** The Oil Fund contribution was lowered by Bt0.10/litre. Since this is smaller than the retail cut, oil marketing margins are squeezed.
- **Impact:** Government intervention continues to influence sector dynamics, creating near-term headwinds for OR (BUY) and PTG (HOLD). According to OR, the company does not expect a significant impact, as it previously benefited from abnormally high margins during declining oil prices. Meanwhile, with the Oil Fund deficit now around Bt3 bn and approaching surplus, pressure on retail prices may ease once the fund returns to positive.

Ex 2: Prices And Spreads

Unit	This week	Last week	% chg	Quarterly					Yearly				
				4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2024	2025	2026	
Upstream													
Dubai	(US\$/bbl)	62	61	2.7%	63	76	66	68	63	61	80	71	67
Brent	(US\$/mmbtu)	63	61	4.3%	63	75	67	68	63	61	80	71	67
Henry hub	(US\$/mmbtu)	3.2	3.6	-12.4%	4.1	3.9	3.5	3.1	4.1	3.5	2.4	3.7	3.3
JKM Spot	(US\$/mmbtu)	9.6	9.7	-1.4%	10.8	14.0	12.4	11.8	10.8	9.6	11.9	13.2	12.1
Dutch TTF	(EUR/MWh)	28	29	-2.2%	30	47	36	33	30	28	35	41	34
NEX coal price	(US\$/tonne)	107	107	0.7%	108	108	100	109	108	107	136	104	105
Crack spreads over Dubai													
Gasoline	(US\$/bbl)	12.7	12.2	4.1%	15.7	7.7	11.5	10.3	15.7	12.7	13.0	11.3	12.7
Jet fuel	(US\$/bbl)	21.8	20.4	6.9%	24.6	13.2	14.2	16.1	24.6	21.6	15.7	17.0	21.6
Diesel	(US\$/bbl)	19.3	18.5	4.5%	24.5	13.2	15.8	18.7	24.5	19.3	15.8	18.0	19.3
HSFO	(US\$/bbl)	(5.3)	(7.6)	-30%	(7.0)	(2.0)	1.7	(5.5)	(7.0)	(5.5)	(5.2)	(3.2)	(5.5)
SG GRM	(US\$/bbl)	8.3	7.4	11.3%	8.8	4.6	7.0	5.9	8.8	8.3	6.1	6.6	8.3
Aromatics													
PX-naphtha	(US\$/tonne)	325	375	-13.4%	243	188	207	236	243	350	274	188	207
BZ-naphtha	(US\$/tonne)	130	150	-13.4%	123	245	173	158	123	140	335	245	173
Olefin													
HDPE-naphtha	(US\$/tonne)	320	340	-5.9%	331	324	374	348	331	330	338	324	374
LDPE-naphtha	(US\$/tonne)	480	500	-4.0%	496	497	587	568	496	490	503	497	587
PP-naphtha	(US\$/tonne)	300	320	-6.3%	307	338	414	373	307	310	326	338	414
Others													
Integrated PET	(US\$/tonne)	134	133	0.4%	116	116	134	113	116	133	140	119	133
Phenol-BZ	(US\$/tonne)	97	105	(0.1)	123	41	55	56	123	104	6	78	104
BPA -Phenol	(US\$/tonne)	307	307	0.0%	297	325	337	337	297	307	300	334	307

Sources: TOP, Bloomberg

Ex 3: Valuation

	Rating	Current	Target	Upside/	Market	Norm	EPS	grw	Norm PE		EV/EBITDA		— P/BV —		— Yield —		— ROE —	
		price	price	(Downside)	cap	25F	26F	25F	26F	25F	26F	25F	26F	25F	26F	25F	26F	
		(Bt)	(Bt)	(%)	(US\$ m)	(%)	(%)	(x)	(x)	(x)	(x)	(x)	(x)	(%)	(%)	(%)	(%)	
BANPU	BUY	4.98	6.00	20.5	1,597	na	619.0	86.6	12.0	7.7	6.2	0.5	0.4	4.8	5.4	0.5	3.7	
BCP	BUY	28.75	37.00	28.7	1,355	(16.5)	25.6	7.1	5.7	2.5	2.7	0.6	0.6	3.9	5.3	9.0	10.5	
IRPC	SELL	1.10	0.77	(30.0)	720	na	na	na	na	12.1	8.9	0.3	0.4	2.7	2.7	na	na	
IVL	SELL	16.40	14.00	(14.6)	2,948	na	na	na	19.5	7.4	6.3	0.7	0.7	4.3	4.3	0.0	4.4	
OR	BUY	13.70	15.50	13.1	5,263	37.1	7.4	15.5	14.5	6.1	5.7	1.4	1.4	3.9	3.8	9.5	9.7	
PTG	HOLD	7.20	7.90	9.7	385	(9.1)	11.7	12.9	11.6	3.8	3.3	1.3	1.2	4.9	5.6	10.1	10.8	
PTT	BUY	32.00	40.00	25.0	29,263	(7.9)	6.6	10.8	10.1	4.1	3.7	0.8	0.8	6.6	6.6	7.3	7.7	
PTTEP	BUY	111.50	125.00	12.1	14,172	(18.5)	(8.7)	6.9	7.6	2.1	2.2	0.8	0.7	7.2	7.0	11.5	9.9	
PTTGC	SELL	22.00	18.00	(18.2)	3,176	na	na	na	25.4	13.7	8.9	0.4	0.4	2.3	2.3	na	1.5	
SCC	SELL	194.00	128.00	(34.0)	7,453	(9.7)	18.9	32.0	26.9	19.6	17.6	0.7	0.7	3.1	3.6	2.1	2.4	
SPRC	BUY	6.50	7.00	7.7	902	66.8	(24.8)	7.2	9.5	4.3	4.8	0.7	0.7	4.6	5.4	9.9	7.2	
TOP	BUY	39.00	41.00	5.1	2,789	(27.5)	(21.2)	7.0	8.8	6.1	7.4	0.4	0.4	5.6	3.8	6.8	5.7	

Sources: Company data, Thanachart estimates

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